



MIDWEST CLEAN DIESEL INITIATIVE



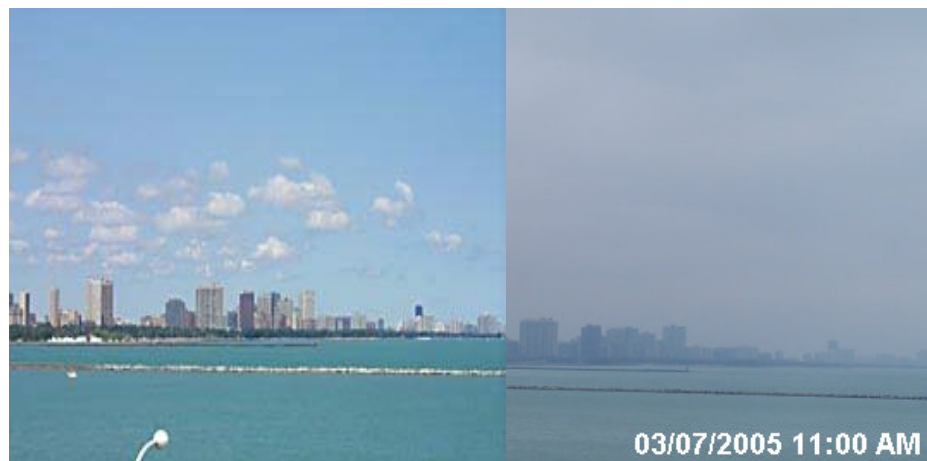
**Leadership Group Meeting
September 6, 2006**

Region 5 Air Priorities

- **Expand the use of biofuels and reduce diesel emissions through retrofit and other technologies;**
- Address NAAQS non-attainment for ozone and PM 2.5;
- Ensure timely and streamline permitting for domestic energy projects;
- Protect communities from hazardous air pollutants.

Diesel emissions contribute to:

- Ozone (NO_x)
- Particulate Matter/Haze
- Air Toxics



Diesel exhaust poses significant public health concerns




- exacerbates asthma, causes respiratory and cardiovascular illness and premature death
- Likely human carcinogen at occupational and environmental exposure levels

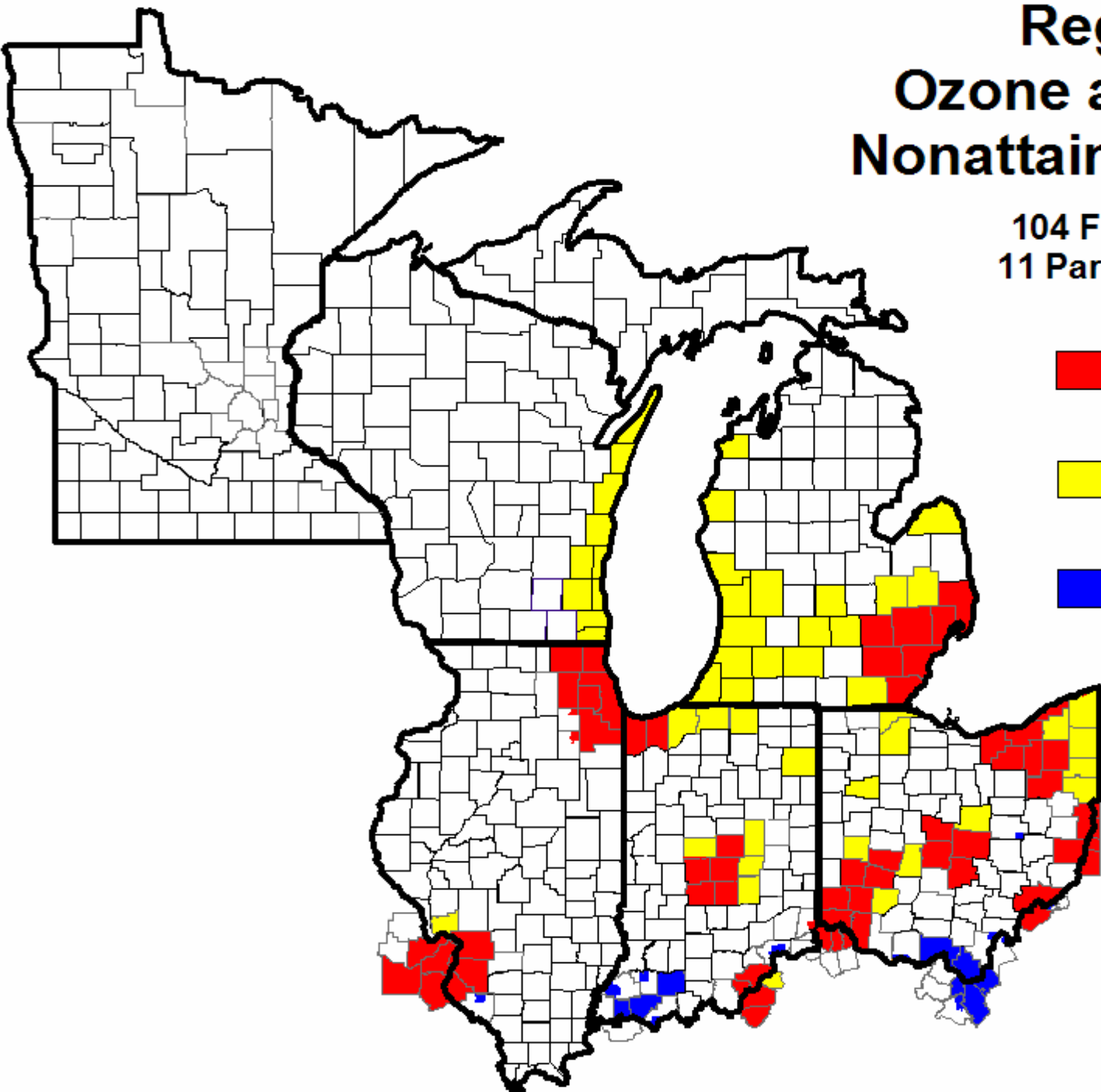
Region 5

Ozone and PM 2.5

Nonattainment Areas

104 Full Counties
11 Partial Counties

-  **Ozone and PM 2.5 Nonattainment**
(52 Counties)
-  **Ozone Nonattainment**
(52 Counties)
-  **PM 2.5 Nonattainment**
(11 Counties)



Air Quality Planning Process

- State Implementation Plans
 - SIP due dates: June 2007 for ozone and April 2008 for PM_{2.5}
 - 8-hour ozone attainment dates: 2007 and 2010
 - PM_{2.5} attainment dates: 2010
 - State Implementation Plan credit for voluntary measures
- Lake Michigan Air Directors Consortium
 - Forum for Midwest states to develop plans to meet the standards
 - Inventory, modeling, technical assistance, control strategy assessment, transparency
 - States and USEPA are actively working to identify and quantify diesel emission reduction control measures

National Regulatory Program for Diesel Engines

- Clean Diesel Truck and Bus Rule (Dec 2000)
- Clean Air Non-road Diesel Rule (May 2004)
- When fully implemented in 2030, these regulations will annually prevent up to:
 - 12,000 premature deaths,
 - One million lost work days,
 - 15,000 heart attacks, and
 - 6,000 children's asthma-related emergency room visits
- Combined, these stringent regulations will achieve over \$150 billion in benefits

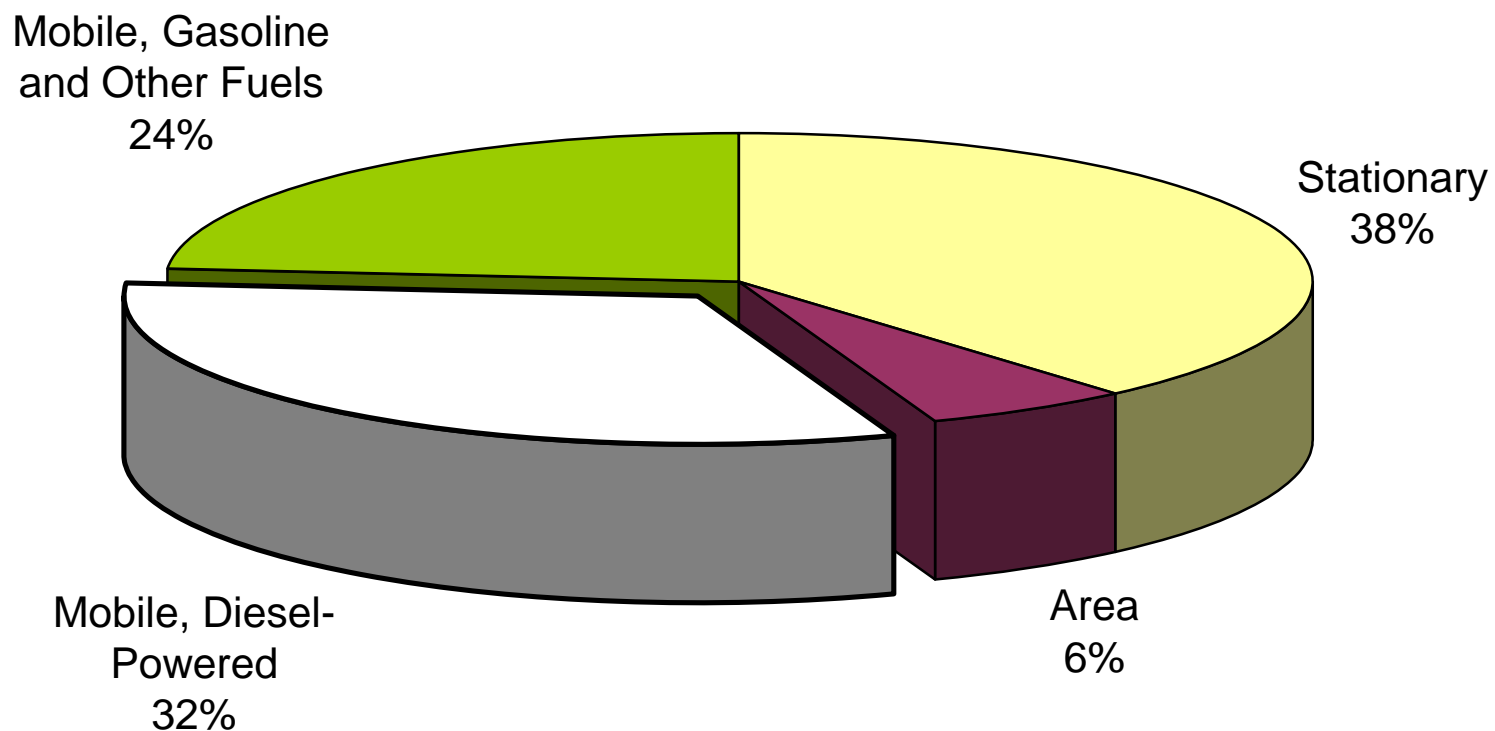


- But what can be done with the 11 million engines in use today?
- Public-private partnership to accelerate diesel emission reductions in the Midwest
- Midwest Clean Diesel Initiative is part of the voluntary National Clean Diesel Campaign
 - Clean School Bus
 - Clean Construction
 - Clean Agriculture
 - Clean Ports
 - SmartWay Transport Partnership



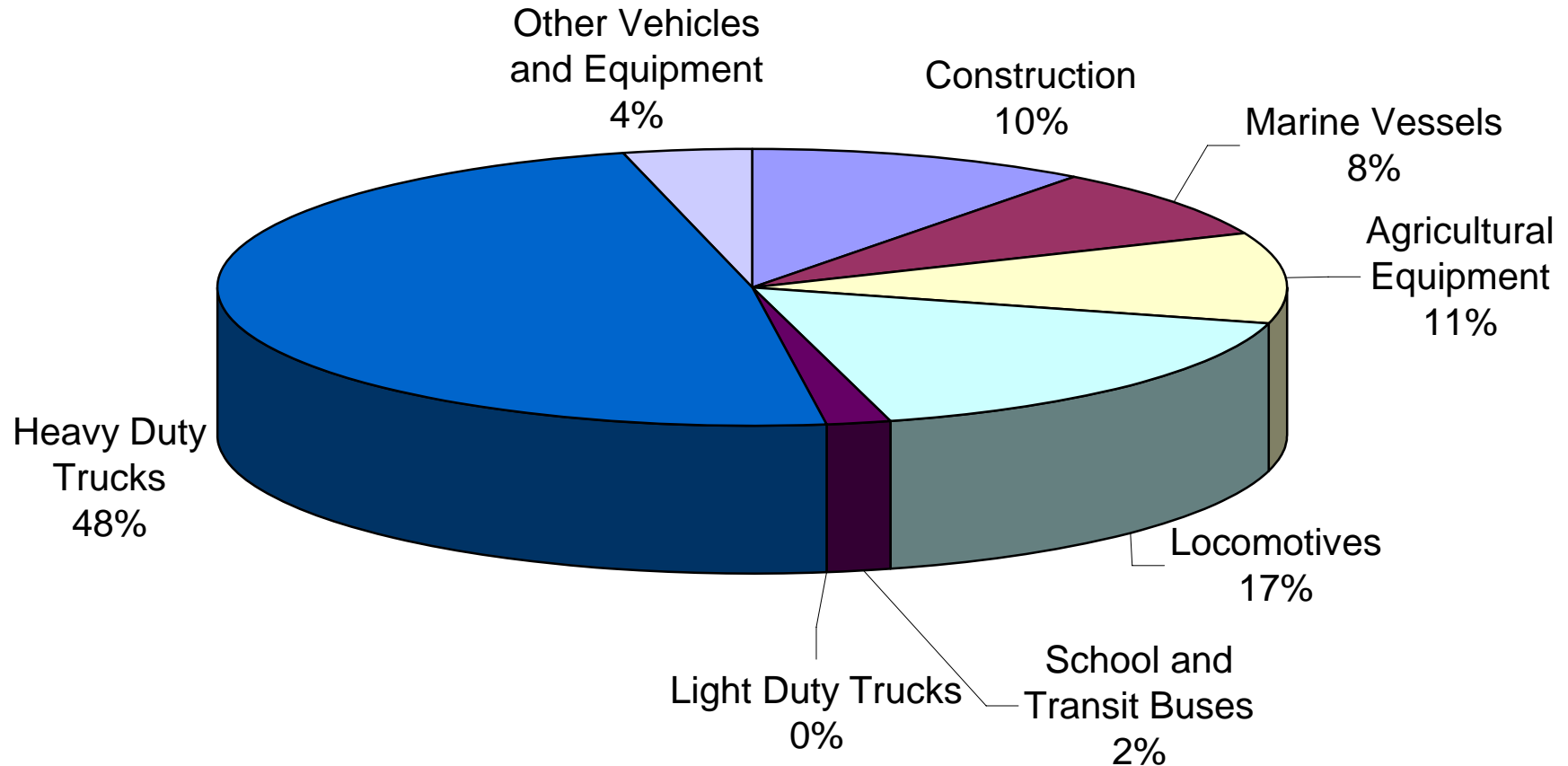
- Approximately 3.3 million diesel engines in Region 5
- The goal is to reduce emissions from 1 million diesel-powered engines by 2010
- Targeted sectors: Ports, Agriculture-Grain Transport, and Rail
- Southeast Michigan/Canada Border Area
- Continue work on school buses, municipal vehicles, construction sector

Regional NOx Emissions



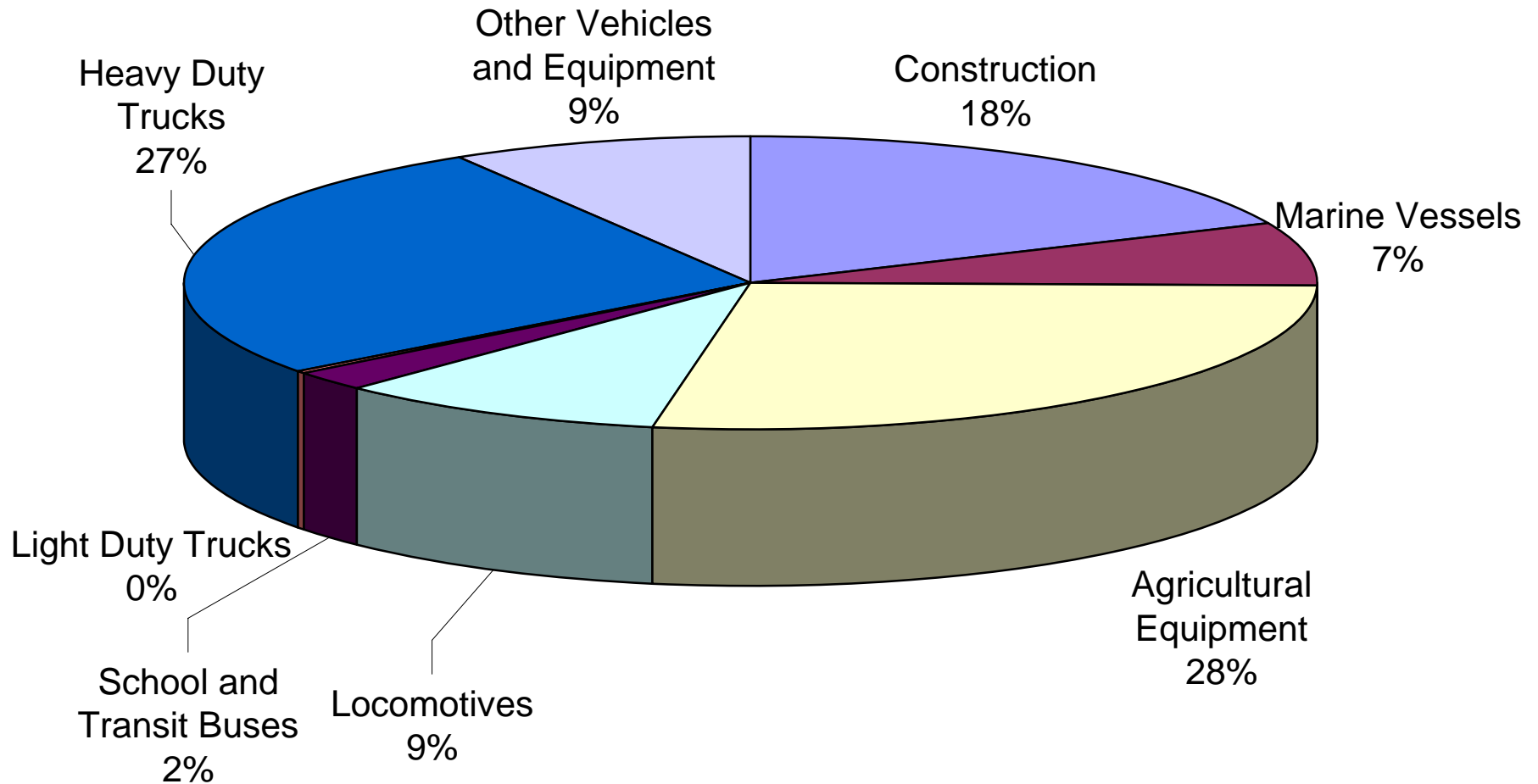
Source: 2002 National Emissions Inventory

Region 5 Diesel Engine NOx Emissions



Source: 2002 National Emissions Inventory

Region 5 Diesel Engine PM_{2.5} Emissions



Source: 2002 National Emissions Inventory

MIDWEST CLEAN DIESEL INITIATIVE

The Power of Partnerships

www.epa.gov/midwestcleandiesel



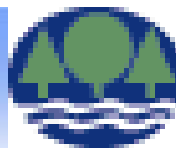
Illinois Environmental
Protection Agency



Indiana Department of
Environmental Management



Department of
Environmental Quality

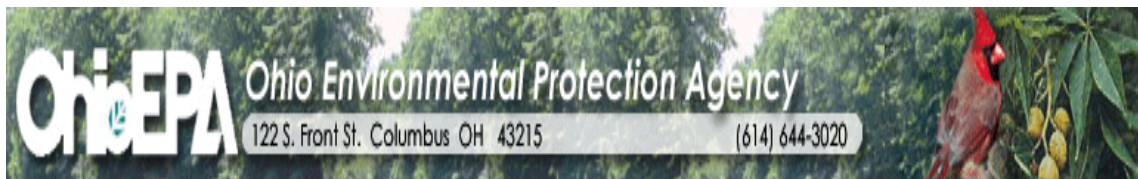


Minnesota Pollution Control Agency



Environment
Canada

Environnement
Canada



Midwest Clean Diesel Initiative Accomplishments

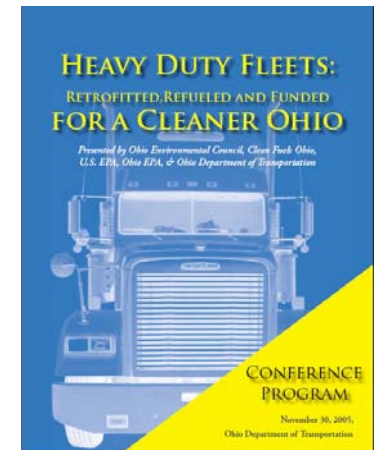
- Partners are implementing many cost-saving and cost-effective strategies to reduce diesel emissions in the Midwest
- Over \$35 million has been invested in public and private funding; about 1:1 federal/non-federal funding ratio
- Over 350,000 engines have been affected equating to over 1,800 tons of pollution removed per year
- EPA and Environment Canada co-development of voluntary diesel emission reduction plan for Ontario



Midwest Clean Diesel Initiative

Accomplishments

- Awarded \$2.2 million to school districts across the Region – Clean School Bus USA
- \$6.7 million in Federal Supplemental Environmental Projects
- 120 SmartWay partners in the Midwest
- Educational Forums, Media Events, Website
- \$1 million in Clean Diesel and Clean School Bus Funding will be announced soon



Future Federal Funding

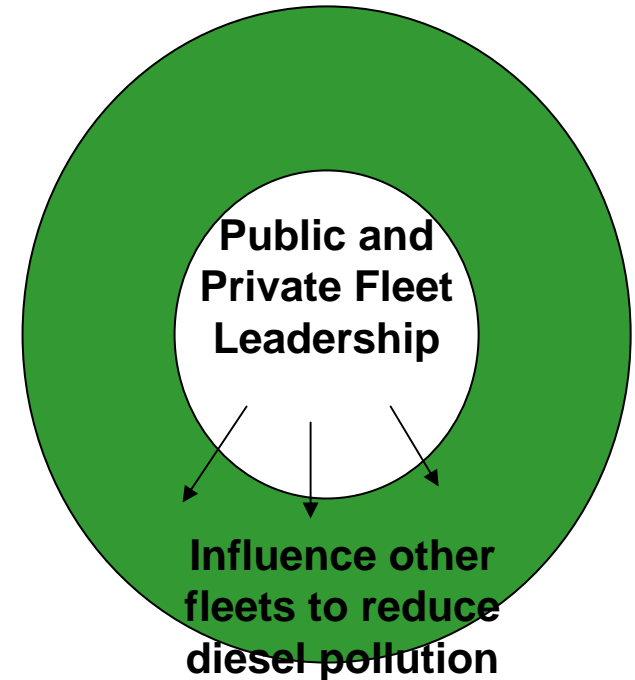
Diesel Emission Reduction Act (DERA) – Provision in the Energy Policy Act

Authorization	\$200 million
President's budget request	\$49.5 million
House	\$28 million
Senate	\$20 million

- Federal funding will not be sufficient to address this challenge alone
- Incentives and Financing Programs are needed
 - Sept. 6-7, Tools and Incentives for Green Diesel Technology: Lower Emissions, Higher Profits

Midwest Clean Diesel Leadership Group

- Cooperation, Coordination, and Leadership are key to accelerating progress
- “Champions” within your respective sectors
- Shared goals
 - environmental protection
 - economic growth



Collectively, the Leadership Group can bring greater visibility, energy, and resources to this issue
... and ultimately results

Midwest Clean Diesel Leadership Group Vision

- Catalyst for action and accelerating progress
- Results-oriented not process-oriented to achieve the 1 million engine goal
- Enhanced marketing opportunities: Increased visibility for the business case *for* and environmental benefits *from* addressing diesel emissions
- Commitment to identify and pursue individual and collective emission reduction projects

We can achieve greater results through mutually beneficial ***joint*** efforts

Midwest Clean Diesel Leadership Group

- Perspectives or suggestions regarding the Midwest Clean Diesel Initiative
- Moving the Midwest Clean Diesel Initiative forward in partnership with the Leadership Group
- Determining principles and goals of the Leadership Group
- Structure of the Leadership Group
- Formal agreement (charter, MOU, etc.)